

Nonmajor Governmental Funds

Special Revenue Funds:

Special Revenue Funds account for specific revenue sources that are restricted to finance particular functions and activities of the Commonwealth.

The Dedicated Special Revenue Fund accounts for revenues and expenditures associated with a dedicated funding source and use.

The Other Special Revenue Fund accounts for revenues and expenditures related to local health care assistance, business and agricultural activities, and miscellaneous activities throughout the Commonwealth. In addition, federal funds received from Medicaid intergovernmental transfers and for the Commonwealth's share of claims are reported in this fund.

Debt Service Funds:

The Debt Service Funds account for transactions related to resources retained and used for the payment of interest and principal on long-term obligations recorded in the Governmental Activities column on the Government-wide Statement of Net Assets.

Primary Government accounts for the payment of principal and interest on bonds used to acquire, construct, or improve parks, highways, and correctional, mental health, and parking facilities owned by the Commonwealth.

The Virginia Public Building Authority accounts for the payment of principal and interest on bonds used to acquire, construct, and operate public buildings used by the Commonwealth and its political subdivisions.

Capital Project Funds:

The Capital Project Funds are maintained to account for resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental or proprietary funds.

Primary Government accounts for the financial resources acquired through the issuance of General Obligation Bonds. The resources are used to acquire, construct, or improve land, public buildings, and parking facilities owned by the Commonwealth.

The Virginia Public Building Authority accounts for financial resources acquired through the issuance of section 9(d) bonds. These resources are used to acquire, construct, finance, refinance and operate public buildings used by the Commonwealth and any of its political subdivisions. Resources are also used to finance or refinance reimbursements to localities or governmental entities for the Commonwealth's share of the capital costs for certain authorized projects.

Permanent Funds:

Permanent Funds are funds whose principal must remain intact.

Commonwealth Health Research Fund provides financial grants for human health research benefiting the Commonwealth's citizens. The entire fund balance is restricted for use as such.

Mental Health Endowment Funds provide funds for the welfare of patients in mental health facilities. The entire fund balance is restricted for use as such.

Combining Balance Sheet – Nonmajor Governmental Funds

June 30, 2005

(Dollars in Thousands)

	Special Revenue Funds		
	Dedicated	Other	Total
Assets			
Cash and Cash Equivalents	\$ 241,171	\$ 323,551	\$ 564,722
Investments	10,941	12,002	22,943
Receivables	7,345	66,611	73,956
Due From Other Funds	27	7,518	7,545
Interfund Receivable	-	70,019	70,019
Inventory	99	4,621	4,720
Other Assets	651	547	1,198
Loans Receivable from Component Units	-	13,595	13,595
Total Assets	\$ 260,234	\$ 498,464	\$ 758,698
Liabilities and Fund Balances			
Accounts Payable	\$ 12,807	\$ 32,611	\$ 45,418
Amounts Due to Other Governments	379	-	379
Due to Other Funds	1,448	11,693	13,141
Due to Component Units	-	400	400
Interfund Payable	3,350	-	3,350
Deferred Revenue	1,142	6,977	8,119
Unearned Revenue	1,029	4,814	5,843
Obligations Under Securities Lending Program	26,996	29,826	56,822
Other Liabilities	1,692	1,892	3,584
Long-term Liabilities	30	208	238
Total Liabilities	48,873	88,421	137,294
Fund Balances Reserved for:			
Inventory	99	4,621	4,720
Debt Service	-	-	-
Gifts and Grants	1,032	12,359	13,391
Capital Acquisition	-	516	516
Fund Balances Unreserved, Reported in:			
Special Revenue Funds	210,230	392,547	602,777
Capital Projects Funds	-	-	-
Permanent Funds	-	-	-
Total Fund Balances	211,361	410,043	621,404
Total Liabilities and Fund Balances	\$ 260,234	\$ 498,464	\$ 758,698

Debt Service Funds			Capital Project Funds		
Primary Government	Virginia Public Building Authority	Total	Primary Government	Virginia Public Building Authority	Total
\$ 75,535	\$ 559	\$ 76,094	\$ 91,101	\$ -	\$ 91,101
-	-	-	588	2,696	3,284
-	1	1	-	232	232
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 75,535</u>	<u>\$ 560</u>	<u>\$ 76,095</u>	<u>\$ 91,689</u>	<u>\$ 2,928</u>	<u>\$ 94,617</u>
\$ -	\$ -	\$ -	\$ 3,850	\$ 36,016	\$ 39,866
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	14,507	257	14,764
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	555	-	555
15	505	520	-	-	-
-	-	-	-	-	-
<u>15</u>	<u>505</u>	<u>520</u>	<u>18,912</u>	<u>36,273</u>	<u>55,185</u>
-	-	-	-	-	-
75,520	55	75,575	-	-	-
-	-	-	-	-	-
-	-	-	72,777	-	72,777
-	-	-	-	-	-
-	-	-	-	(33,345)	(33,345)
-	-	-	-	-	-
<u>75,520</u>	<u>55</u>	<u>75,575</u>	<u>72,777</u>	<u>(33,345)</u>	<u>39,432</u>
<u>\$ 75,535</u>	<u>\$ 560</u>	<u>\$ 76,095</u>	<u>\$ 91,689</u>	<u>\$ 2,928</u>	<u>\$ 94,617</u>

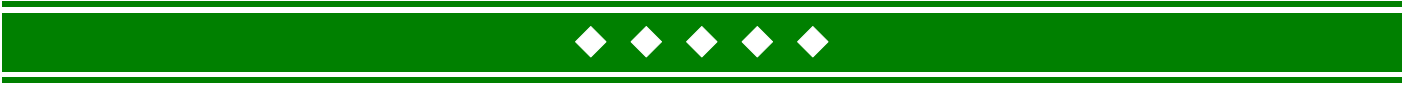
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Combining Balance Sheet – Nonmajor Governmental Funds (Continued from previous page)

June 30, 2005

(Dollars in Thousands)

	Permanent Funds			Total Nonmajor Governmental Funds
	Commonwealth Health Research Board	Mental Health Endowment Funds	Total	
Assets				
Cash and Cash Equivalents	\$ 68	\$ 159	\$ 227	\$ 732,144
Investments	28,219	89	28,308	54,535
Receivables	2	-	2	74,191
Due From Other Funds	-	-	-	7,545
Interfund Receivable	-	-	-	70,019
Inventory	-	-	-	4,720
Other Assets	-	-	-	1,198
Loans Receivable from Component Units	-	-	-	13,595
Total Assets	\$ 28,289	\$ 248	\$ 28,537	\$ 957,947
Liabilities and Fund Balances				
Accounts Payable	\$ 10	\$ -	\$ 10	\$ 85,294
Amounts Due to Other Governments	-	-	-	379
Due to Other Funds	-	-	-	13,141
Due to Component Units	-	-	-	15,164
Interfund Payable	-	-	-	3,350
Deferred Revenue	-	-	-	8,119
Unearned Revenue	-	-	-	5,843
Obligations Under Securities Lending Program	16	-	16	57,393
Other Liabilities	-	-	-	4,104
Long-term Liabilities	-	-	-	238
Total Liabilities	26	-	26	193,025
Fund Balances Reserved for:				
Inventory	-	-	-	4,720
Debt Service	-	-	-	75,575
Gifts and Grants	-	-	-	13,391
Capital Acquisition	-	-	-	73,293
Fund Balances Unreserved, Reported in:				
Special Revenue Funds	-	-	-	602,777
Capital Projects Funds	-	-	-	(33,345)
Permanent Funds	28,263	248	28,511	28,511
Total Fund Balances	28,263	248	28,511	764,922
Total Liabilities and Fund Balances	\$ 28,289	\$ 248	\$ 28,537	\$ 957,947



**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
Nonmajor Governmental Funds**

For the Fiscal Year Ended June 30, 2005
(Dollars in Thousands)

	Special Revenue Funds		
	Dedicated	Other	Total
Revenues			
Taxes	\$ 51,356	\$ 19,175	\$ 70,531
Rights and Privileges	71,979	155,950	227,929
Institutional Revenue	8,763	306,521	315,284
Interest, Dividends, Rents, and Other Investment Income	3,583	9,627	13,210
Federal Grants and Contracts	-	36,656	36,656
Other	76,757	301,918	378,675
Total Revenues	212,438	829,847	1,042,285
Expenditures			
Current:			
General Government	39,864	54,840	94,704
Education	1,560	23,031	24,591
Transportation	10,317	5,223	15,540
Resources and Economic Development	83,290	188,913	272,203
Individual and Family Services	47,516	503,654	551,170
Administration of Justice	40,882	27,327	68,209
Capital Outlay	714	5,914	6,628
Debt Service:			
Principal Retirement	-	-	-
Interest and Charges	-	-	-
Total Expenditures	224,143	808,902	1,033,045
Revenues Over (Under) Expenditures	(11,705)	20,945	9,240
Other Financing Sources (Uses)			
Transfers In	52,219	58,337	110,556
Transfers Out	(29,964)	(49,452)	(79,416)
Bonds Issued	-	-	-
Premium on Bond Issuance	-	-	-
Refunding Bonds Issued	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-
Total Other Financing Sources (Uses)	22,255	8,885	31,140
Net Change in Fund Balances	10,550	29,830	40,380
Fund Balance (Deficit), July 1, as restated	200,811	380,213	581,024
Fund Balance (Deficit), June 30	\$ 211,361	\$ 410,043	\$ 621,404

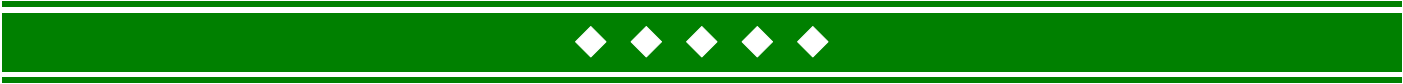
Debt Service Funds			Capital Project Funds		
Primary Government	Virginia Public Building Authority	Total	Primary Government	Virginia Public Building Authority	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
907	11	918	2,918	3,069	5,987
-	-	-	-	-	-
7,531	-	7,531	793	-	793
8,438	11	8,449	3,711	3,069	6,780
-	-	-	-	-	-
-	-	-	-	-	-
222	-	222	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	118,278	221,678	339,956
188,313	61,025	249,338	-	-	-
122,756	41,941	164,697	-	-	-
311,291	102,966	414,257	118,278	221,678	339,956
(302,853)	(102,955)	(405,808)	(114,567)	(218,609)	(333,176)
302,433	100,482	402,915	-	-	-
-	-	-	-	(44)	(44)
-	-	-	167,945	207,065	375,010
36,232	24,905	61,137	11,075	11,941	23,016
402,785	328,700	731,485	-	-	-
(437,165)	(352,420)	(789,585)	-	-	-
304,285	101,667	405,952	179,020	218,962	397,982
1,432	(1,288)	144	64,453	353	64,806
74,088	1,343	75,431	8,324	(33,698)	(25,374)
\$ 75,520	\$ 55	\$ 75,575	\$ 72,777	\$ (33,345)	\$ 39,432

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**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
Nonmajor Governmental Funds** *(Continued from previous page)*

For the Fiscal Year Ended June 30, 2005
(Dollars in Thousands)

	Permanent Funds			Total Nonmajor Governmental Funds
	Commonwealth Health Research Board	Mental Health Endowment Funds	Total	
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ 70,531
Rights and Privileges	-	-	-	227,929
Institutional Revenue	-	-	-	315,284
Interest, Dividends, Rents, and Other Investment Income	2,012	4	2,016	22,131
Federal Grants and Contracts	-	-	-	36,656
Other	-	-	-	386,999
Total Revenues	2,012	4	2,016	1,059,530
Expenditures				
Current:				
General Government	-	-	-	94,704
Education	-	-	-	24,591
Transportation	-	-	-	15,762
Resources and Economic Development	-	-	-	272,203
Individual and Family Services	932	7	939	552,109
Administration of Justice	-	-	-	68,209
Capital Outlay	-	-	-	346,584
Debt Service:				
Principal Retirement	-	-	-	249,338
Interest and Charges	-	-	-	164,697
Total Expenditures	932	7	939	1,788,197
Revenues Over (Under) Expenditures	1,080	(3)	1,077	(728,667)
Other Financing Sources (Uses)				
Transfers In	1	-	1	513,472
Transfers Out	-	-	-	(79,460)
Bonds Issued	-	-	-	375,010
Premium on Bond Issuance	-	-	-	84,153
Refunding Bonds Issued	-	-	-	731,485
Payment to Refunded Bond Escrow Agent	-	-	-	(789,585)
Total Other Financing Sources (Uses)	1	-	1	835,075
Net Change in Fund Balances	1,081	(3)	1,078	106,408
Fund Balance (Deficit), July 1, as restated	27,182	251	27,433	658,514
Fund Balance (Deficit), June 30	\$ 28,263	\$ 248	\$ 28,511	\$ 764,922



**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Nonmajor Special Revenue Funds**

For the Fiscal Year Ended June 30, 2005
(Dollars in Thousands)

	Dedicated			Final/Actual Variance Positive Negative
	Original Budget	Final Budget	Actual	(Negative)
Revenues:				
Taxes:				
Public Service Corporations	\$ -	\$ -	\$ -	\$ -
Motor Fuel	35,900	38,575	36,918	(1,657)
Other Taxes	14,212	15,652	14,976	(676)
Rights and Privileges	52,652	78,167	71,870	(6,297)
Sales of Property and Commodities	2,783	3,390	2,541	(849)
Assessments and Receipts for Support of Special Services	7,429	11,276	10,377	(899)
Institutional Revenue	16,097	15,770	8,771	(6,999)
Interest, Dividends, and Rents	2,783	1,662	3,588	1,926
Fines, Forfeitures, Court Fees, Penalties, and Escheats	25,824	40,821	38,599	(2,222)
Federal Grants and Contracts	-	-	-	-
Receipts from Cities, Counties, and Towns	722	705	602	(103)
Private Donations, Gifts and Contracts	1,355	1,400	1,737	337
Other	25,281	25,912	23,838	(2,074)
Total Revenues	185,038	233,330	213,817	(19,513)
Expenditures:				
Current:				
General Government	19,632	49,038	39,346	9,692
Education	2,917	3,150	1,567	1,583
Transportation	13,896	15,896	10,026	5,870
Resources and Economic Development	84,004	116,488	85,978	30,510
Individual and Family Services	56,560	59,798	47,177	12,621
Administration of Justice	44,333	49,728	40,268	9,460
Capital Outlay	1,409	2,104	711	1,393
Total Expenditures	222,751	296,202	225,073	71,129
Revenues Over (Under) Expenditures	(37,713)	(62,872)	(11,256)	51,616
Other Financing Sources (Uses):				
Transfers:				
Transfers In	14,066	43,656	52,218	8,562
Transfers Out	(13,776)	(19,906)	(29,964)	(10,058)
Total Other Financing Sources (Uses)	290	23,750	22,254	(1,496)
Revenues and Other Sources Over (Under)				
Expenditures and Other Uses	(37,423)	(39,122)	10,998	50,120
Fund Balance, July 1, as restated	210,596	210,596	210,596	-
Fund Balance, June 30	\$ 173,173	\$ 171,474	\$ 221,594	\$ 50,120

See Notes on page 182 in this section.

Other			
Original Budget	Final Budget	Actual	Final/Actual Variance Positive (Negative)
\$ -	\$ -	\$ 6,079	\$ 6,079
-	-	-	-
16,660	16,826	13,334	(3,492)
159,578	169,119	145,778	(23,341)
19,474	19,266	18,952	(314)
104,918	90,084	75,846	(14,238)
285,309	315,492	307,650	(7,842)
9,336	5,806	9,241	3,435
10,947	12,292	14,685	2,393
-	-	36,656	36,656
56,055	58,244	76,247	18,003
3,003	3,736	19,625	15,889
229,355	139,951	90,301	(49,650)
894,635	830,816	814,394	(16,422)
32,798	65,178	54,690	10,488
27,153	27,673	22,858	4,815
6,503	6,684	5,334	1,350
210,340	242,385	187,959	54,426
403,994	495,980	502,819	(6,839)
17,603	23,751	26,730	(2,979)
16,275	26,608	6,910	19,698
714,666	888,259	807,300	80,959
179,969	(57,443)	7,094	64,537
13,340	44,321	58,348	14,027
(11,221)	(12,686)	(49,452)	(36,766)
2,119	31,635	8,896	(22,739)
182,088	(25,808)	15,990	41,798
375,635	375,635	375,635	-
\$ 557,723	\$ 349,827	\$ 391,625	\$ 41,798

**Notes for Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Nonmajor Special Revenue Funds**

1. BASIS OF BUDGETING VS. MODIFIED ACCRUAL BASIS FUND BALANCE

Since the presentation of financial data on the basis of budgeting differs from that presented under accounting principles generally accepted in the United States of America, a schedule reconciling the fund balance on a budgetary basis at June 30, 2005, to the fund balance on a modified accrual basis follows.

(Dollars in Thousands)

	<u>Dedicated</u>	<u>Other</u>
Fund Balance, Basis of Budgeting	\$ 221,594	\$ 391,625
Adjustments from Budget to Modified Accrual, Undesignated:		
Accrued Revenues:		
Taxes	4,415	82
Other Revenue	(12)	57,356
Accrued Expenditures	(13,243)	(31,734)
Fund Reclassification - Budget to Modified Accrual	(1,393)	(7,286)
Fund Balance, Modified Accrual Basis	<u>\$ 211,361</u>	<u>\$ 410,043</u>

2. APPROPRIATIONS

The amounts presented in the Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Nonmajor Special Revenue Funds are principally on a cash basis and represent the original budget adopted by the General Assembly and all supplemental appropriations and transfers. The following schedule reconciles original appropriations to the final adjusted expenditure appropriations for the Nonmajor Special Revenue Funds, at June 30, 2005.

(Dollars in Thousands)

	<u>Dedicated</u>	<u>Other</u>
Appropriations (1)	\$ 222,751	\$ 714,666
Supplemental Appropriations:		
Reappropriations (2)	15,840	85,325
Subsequent Executive (3)	23,509	82,426
Subsequent Legislative (4)	(62)	(206,901)
Capital Outlay Reversions (5)	(118)	(248)
Transfers (6)	35,691	291,278
Capital Outlay Adjustment (7)	(1,409)	(78,287)
Appropriations, as adjusted	<u>\$ 296,202</u>	<u>\$ 888,259</u>

1. Represents the budget appropriated through Chapter 951, 2005 Acts of Assembly.
2. Actions taken to reappropriate any prior year unexpended balances per authority of the language in the Appropriation Act.
3. Actions taken by the Governor to appropriate any additional revenues collected so that they can be legally spent.
4. Actions taken by the Governor and the General Assembly to adjust the budget.
5. Represents reversions of unexpended capital outlay balances.
6. Represents transfers required by the Appropriation Act.
7. Capital outlay appropriations cover the projects' lives and usually extend beyond the current fiscal year. These amounts have been adjusted to report the amount authorized for expenditure during the current fiscal year.